MARKETING INFORMATION SYSTEMS, INC.

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August 20, 1986

Ms. Karen Eisen
PHILIP MORRIS, INC.
120 Park Avenue
New York, New York 10017

Dear Karen:

The following is to confirm our understanding of the Direct Mail Study (#839786) which we will be conducting for you.

The purpose of this research is to measure the accuracy of smoker data generated by Select N Save, as well as to measure the relative effectiveness of three incentives -- cash, check, or the promise of cash. The information compiled by Select N Save was obtained from respondents about themselves, their spouses, and other members of their households who smoke.

3,000 mailings will be made by General Foods to smokers whose names appear on Select N Save's list in the following proportions: 1,000 to respondents who provided the information, 1,000 to their spouses, and 1,000 to "others" in their household. One-third of all respondents will receive a \$2.00 cash incentive, one-third will receive a \$2.00 check incentive and one-third will receive \$2.00 in cash after they've mailed in the questionnaire.

All smokers will receive a personalized letter asking them to fill out an enclosed questionnaire and mail it to MISI in a self-addressed stamped envelope which will be included with the questionnaire.

We will determine how many total responses are yielded by the 3,000 mailings once we receive the initial group of returns from the respondents. At this time we will estimate the total number of responses that can be expected based on the assumption that this initial group of returns will constitute 40% of the entire responses. Once the number of total responses has been estimated, we will be able to approximate an ending date for field work.

Topline data will be available eight days after the study ends in field, with complete final runs being available four weeks thereafter.

Sincerely,

Zack Apkarian

cc: Jeanne Bonhomme Avery Krut Gail Apkarian 2045584493